

# **COLLECTIVE BARGAINING AGREEMENT**

**BUTTERFIELD FOODS CO.  
Butterfield, Minnesota**

**AND**

**UNITED FOOD AND COMMERCIAL WORKERS**

**AFL-CIO & CLC**

**Local 1161**

**November 18, 2016 - November 17, 2020**

November 18, 2016 through November 17, 2020

THIS AGREEMENT, made and entered into this 18th day of November, 2016 by and between BUTTERFIELD FOODS COMPANY, Butterfield, Minnesota, a Minnesota Corporation, hereinafter referred to as "Company" and the United Food Commercial Workers, an affiliate of the American Federation of Labor and the Congress of Industrial Organization, for itself and on the behalf of Local Union No. 1161, hereinafter referred to as "Union", each through the medium of its undersigned duly authorized officials.

WITNESSETH:

WHEREAS, the parties through the process of collective bargaining, have agreed to wages, hours of employment and certain other conditions of employment and to the exclusion of all other claims and demands for the duration of this contract.

NOW THEREFORE, in consideration of mutual covenants herein contained to be duly kept and performed, the parties hereto do hereby mutually agree as follows:

#### **ARTICLE I Recognition**

##### **1.01 (a) BUTTERFIELD PLANT**

The Company recognizes the United Food and Commercial Workers AFL-CIO, the sole and exclusive bargaining agency with respect to rates of pay, hours of employment and other conditions of employment for all production and maintenance employees including truck drivers, employees at its Butterfield, Minnesota plant, excluding office and clerical employees, salesmen, guards, professional employees, industrial nurse, quality control, supervisors, and maintenance employees who have formal technical training completed.

#### **ARTICLE II Policy**

2.01 The Company agrees that it will not discriminate against any employee or applicant because of race, age, color, creed, sex, national origin, or because of membership in the Union.

**ARTICLE III**  
**Purpose of Agreement**

- 3.01 It is the intent and purpose of the parties hereto that this agreement shall promote and improve the industrial and economic relationship between the Company and the Union and to set forth herein rates of pay, hours of work and other conditions of employment to be observed by the parties hereto. It is further recognized by both parties that they have a mutual interest and obligation in maintaining friendly cooperation between the Company and the Union, which will permit safe, economical operation of the plant.

**ARTICLE IV**  
**Management**

- 4.01 It is the exclusive right of the Company to efficiently operate the business and to establish and enforce reasonable rules and regulations not contrary to the express terms of this contract and such exclusive rights are fully recognized by the Union and shall not be impaired. These rights include, but are not limited to, the hiring, discharging for proper cause, relieving employees from duty for lack of work, scheduling days and hours of work, provided such shall not be used for the purpose of discriminating against any employee or to avoid any provision of this agreement.

**ARTICLE V**  
**Job Steward or Job Committee**

- 5.01 The Union shall provide the Company with the names of its duly elected Officers and its Stewards and others duly authorized to represent the Union in connection with this collective bargaining relationship.

**ARTICLE VI**  
**Grievance Procedure**

- 6.01 Should differences arise between the company and the Union or between the Company and its employees, pertaining to matters involved in this Agreement, or incident to the employment relations, it is the declared policy of the parties hereto that all such differences shall be settled as promptly as possible in accordance with the procedures and time limitations as follows:

**Step 1:**

Between the aggrieved party and the immediate supervisor, with or without the line steward. The employee shall notify his immediate

supervisor of his grievance within a maximum of fifteen (15) days (plus vacation, if any) from the date of occurrence. The supervisor must give his answer within twenty-four (24) hours. The employee shall have twenty-four (24) hours in which to appeal to the next step.

**Step 2:**

Between the Plant Grievance Committee with or without the aggrieved party, the line steward, and the plant superintendent. The Superintendent must give his answer within forty-eight (48) hours. The aggrieved party shall have twenty-four (24) hours in which to appeal to the next step by writing a formal grievance and presenting it to the Personnel Manager of the Company.

**Step 3:**

The Local Union Grievance Committee with or without a Representative of the International Union and the President of the Company or his designated representative shall meet within seven (7) days to receive the Company's answer in writing.

The "Answer" as set forth in the time limit of each Step above, is the "maximum" time that (Company or Union) has after receiving the grievance to render an answer. If no answer is given within the time limits, the grievance shall be considered to have advanced to the next Step. The "appeal" as set forth under time limits above, means the maximum time (Union) or (Company) has from the time of receiving the answer, to notify the other party to the grievance that the answer is unsatisfactory and the aggrieved party or parties desire to appeal to the next Step of the procedure. Grievances not appealed within the time limits shall be deemed settled on the basis of the last Step and shall not be further appealed or filed as a new grievance.

It is agreed that beginning with Step 2, either party may request the appearance of witness to the grievance.

On the time limitations established in Steps 2 and 3, should the parties desire to extend the time, they can do so by mutual agreement.

Union representatives shall report to their supervisor when it becomes necessary for them to leave their jobs for the purpose of investigating a grievance, make known their destination, report to the supervisor of the department they are visiting and report to their own supervisor at the time of their return.

Line Stewards shall handle grievances only within the department, or line to which they are assigned as line stewards. This will not apply to the chief steward.

#### **Step 4:**

#### **Arbitration**

If no satisfactory settlement is reached within the time limits as set forth in Step 3, it may be referred, at the request of either party, to arbitration in accordance with the following provisions:

- a) Referrals to arbitration must be made within forty-five (45) days of the date of the Step 3 answer.
- b) The Federal Mediation Conciliation Service shall be requested to submit a panel of five (5) arbitrators. From this list of arbitrators, the Company and Union representative shall alternately strike names until one remains. The arbitrator whose name remains shall be designated as the Arbitrator.
- c) The expense of the Arbitrator shall be shared equally.
- d) If the Arbitrator shall find that an employee has been unjustly discharged or suspended, he shall be given an opportunity to return to work. If this Arbitrator also finds that he should be paid for any time lost, such time shall be determined by the Arbitrator.
- e) The Award of the Arbitrator will be final and binding on both parties.

#### **ARTICLE VII**

#### **No Strike - No Lockout**

- 7.01 Should difference arise between the Company and the Union, or between the Company and its employees, pertaining to matters involved in this Agreement or incident to the employment relations, there shall be no strike, slowdown, sit down or stoppage of work on the part of the Union, or lockout on the part of the Company.

#### **ARTICLE VIII**

#### **Disciplinary Action**

- 8.01 No employee shall be discharged, suspended without pay, or disciplined in any matter except for just cause.
- 8.02 No employee shall be discharged for cause without first having been given at least one warning notice, in writing, of Management's complaint or grievance against him, except that no such warning notice need be given if the cause is theft, dishonesty, drunkenness while on duty, a willful safety

violation that causes or could cause serious injury or death to the employee or another person, or the more serious violation of non-compliance with rules and regulations.

- 8.03 All Company rules used by the Employer for disciplinary purposes must be posted near time clocks or on employee bulletin boards or in another area made known to employees, and such rules shall be reasonable and shall not be in conflict with any of the terms or provisions of this Collective Bargaining Agreement.
- 8.04 Copies of all warning notices and other notices of disciplinary action given employees shall be mailed to the Union and the Employee without undue delay.
- 8.05 An employee absent without notice for two (2) or more working days shall be considered a voluntary quit, unless the employee is unable to report due to circumstances beyond their control.
- 8.06 All warning notices will expire after one (1) year from date of issue except that warning notices for behavioral issues involving harassment or disruptive or aggressive behavior will expire after two (2) years from the date of issue.

#### **ARTICLE IX**

#### **Union Shop**

- 9.01 It shall be a condition of employment that all employees covered by this Agreement who are members of this Union in good standing, and those who are not members in good standing, and those who are not members on the effective date of this Agreement shall, on the forty-fifth (45th) day following the effective date of this agreement, become and remain members in good standing in the Union.
- 9.02 It shall also be a condition of employment that all employees covered by this Agreement and hired on or after its effective date shall, on the forty-fifth (45th) working day following the beginning of such employment, become and remain members in good standing in the Union.
- 9.03 Anyone not meeting these conditions shall be laid off or discharged when notice to this effect is given by the Union.
- 9.04 The Company shall deduct, as to each employee who shall authorize it in writing on the appropriate form, from the first payable to such employee each month, the regular monthly Union dues for the current month and the initiation fee of the Union, if and owing, and promptly remit same to the Financial Secretary and the address to which such dues collections shall be sent.

- 9.05 The Company shall provide the Union with the current list of new employees at each plant showing date of hire, every two (2) weeks. The Union President shall be allowed access to all information which is necessary to investigation of grievances.

#### ARTICLE X Seniority

- 10.01 Seniority shall operate on a plant basis as hereinafter provided.
- 10.02 The plant seniority of each employee shall be posted on the Bulletin Boards and copies shall be sent to the Union. Seniority lists shall be revised every two (2) months.
- 10.03 Each employee's plant seniority shall date from the most recent date of hire. Seniority for the purpose of this Agreement, shall not be dated beyond April 1, 1970. However, employees employed by the predecessor Company shall be given recognition for their length of service to establish their seniority standing only, provided they returned to work when called by Butterfield Foods Company. Employees shall acquire seniority as herein after provided.
- a) New employees shall acquire plant seniority upon completion of forty-five (45) days worked from his most recent date of hire. His most recent date of hire shall be used to compute vacations and eligibility for insurance.
  - b) Employees starting approximately the same time. The employee acquiring their forty-five (45) days first will be placed highest on the seniority list.
- 10.04 If at any time a question arises concerning seniority departments, either by the addition of new operations or the elimination of old operations, seniority departments and divisions shall be mutually agreed to by both parties. All questions shall be negotiated to the mutual satisfaction of both parties.
- 10.05 Promotions and demotions shall be made on the basis of plant seniority, provided employees can perform the job or learn the job within a reasonable period of time. This means that promotions will go to the senior qualified employee and if there is not a qualified employee, then to the senior qualifiable employee.

- a) In case of the elimination of or the addition of a new product makes it necessary to rearrange employees in a gang or a department, jobs shall be filled by seniority provided the employee can perform the job or learn the job within a reasonable period of time.
  - b) Layoffs shall be made on the basis of plant seniority.
  - c) Recall from a layoff shall be by calling back employees according to their plant seniority. Employees laid off will be notified by a telephone call. If contact is not made with the employee within 24 hours, a certified letter will be sent to the last known address, and they will be expected to report as directed within three (3) days after notification. Failure to do so, or failure to accept the work offered shall forfeit their seniority rights. However, in cases of inability to do so upon immediate notification to the Company of this fact, they will be given an additional three (3) days or in the case of sickness or accident will be given additional time to report, such time not to exceed the period that such disability, as shown by acceptable medical evidence, prevents their return to work.
  - d) Absences due to layoff, sickness or accident shall not break an employee's seniority rights.
  - e) An employee shall lose all seniority rights if he quits or is discharged for just cause.
  - f) Employees leaving the bargaining unit for promotion to supervisor shall have their seniority protected for ninety (90) days.
- 10.06
- a) When a new job is created or a vacancy in an established job occurs, the job shall be posted for three (3) days. The Union President will be provided copies of all job postings. Employees who are a non-work status may inquire at the plant office concerning postings and may bid for any posted job for which they are qualified by virtue of ability and seniority.
  - b) If a vacancy is posted and none of the bidders qualifies or completes the trial period and receives the permanent assignment, the company shall repost for one working day. Reposting is not required if there were no bidders on the first posting.
  - c) If a group of senior employees bid off an established line that would grossly interfere with line production efficiency, the Management and the Union will mutually agree on how many employees will move at one time.

- d) Except in cases of temporary vacancies, when a vacancy occurs on any job, the job shall be posted for three (3) days. The position goes to the senior qualified employee, and if there is not a qualified employee, then to the senior qualifiable employee. The company will make every reasonable effort to fill the job during the next forty-eight (48) hour period.
- e) Employees bidding on the jobs shall have a reasonable period of time to learn the job, and if disqualified shall return to their job held at the time of bidding.
- f) If an employee with greater seniority is absent during the three (3) day bidding period, he will be informed of the vacancy on his return to work and will be given three (3) days from the time of his return to exercise his seniority to claim the job.
- g) When a posted job is waived or not bid by an employee, he shall not be entitled to exercise his seniority rights with respect to that job earlier than such time as it again becomes vacant.

#### ARTICLE XI

##### Hours of Work and Premium Pay

- 11.01 The basic work day will eight (8) hours. The basic work week will be forty (40) hours. Every reasonable effort will be made to provide at least eight (8) hours in one day and forty (40) hours in one week. The work week shall begin at 7:00 A.M. Sunday and end at 7:00 A.M. the following Sunday.
- 11.02 The Company will not be expected to guarantee work to any employee in the case of extreme emergency such as:
  - a) If, at any time, an employee reports for work and is unable to work because the plant is disabled by severe weather conditions or utility failures or unforeseen mechanical failure of the equipment; then the four (4) hours call-in does not apply and employees will be paid for all the time that they are held on standby basis on the Company premises at their regular rate.
  - b) The Company will make every effort to notify employees of work requirements by broadcasting over an agreed-upon station or stations.
  - c) Employees on temporary layoff will be notified to return to work by telephone before the hour of twelve (12:00) noon for the day shift.

And between the hours of one (1:00) and three (3:00) for the following day, night shift. Employees on sick leave or leave of absence must use the same hours for reporting back to work.

- 11.03 One and one-half (1 1/2) times the regularly hourly rate of pay shall be paid for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, whichever is more beneficial to the employee, except for truck drivers, who shall be paid one and one-half (1 1/2) time the regular hourly rate of pay for all hours worked over 12 (twelve) hours per day or forty (40) hours per week.
- 11.04 Time and one-half will be paid for all work performed by plant employees on Saturdays, providing the employee has worked all his schedule hours during the week.
  - a) Time and one-half shall be paid plant employees for work performed on a Saturday in a holiday week, provided that the employee has worked all the scheduled work hours for his department during that holiday week. If the holiday falls on a Monday, any four (4) consecutive days may be worked without premium pay.
  - b) Any plant employee that is disciplined and given a day off will not be paid time and one-half for Saturday work.
  - c) Plant employees off on authorized Union business in any week, except holiday week, will be paid time and one-half for Saturday, providing they worked all other scheduled hours in that week.
  - d) The Company shall post a notice by the end of the work shift on Thursday, notifying plant employees whether they are required to work on Saturday. If the Company fails to so notify the employees, the employees shall have the option of whether or not they work on Saturday. In case of an emergency, the Company may give notice of required Saturday work any time after the end of the work shift on Thursday including on Friday. An emergency is circumstances that occur at the plant that the Company could not reasonably anticipate such as an equipment breakdown that significantly affects production, a power failure, severe weather conditions or last minute customer needs.
- 11.05 Employees called to work will be provided with a minimum of four (4) hours work in lieu of work, such pay to start from the hour employee is required to report for work. When no work is available, employees shall not be required to remain at the plant to receive the four (4) hours pay.

- 11.06 To the extent practical, there shall be equal distribution of the available overtime hours with a department or division among the employees of the department or division. Volunteer lists shall be posted every three (3) months.
- 11.07 Double time shall be paid for all hours worked on Sunday by a plant employee who is not regularly scheduled to work on Sunday. A plant employee regularly scheduled to work on Sunday shall have another day designated in lieu of Sunday and shall be paid double time for any hours worked on such day.
- a) An employee not regularly scheduled to work on Sunday must be notified a week in advance and given a day off in lieu of Sunday.
- 11.08 An employee recalled to work after leaving the plant upon completion of his day's work, will be paid time and one-half for hours pursuant to such recall and guaranteed a minimum of four (4) hours work.
- 11.09 Employees must be on the line, ready to work when the line starts. Whenever a supervisor is present, an employee must not leave the line without permission from his supervisor.
- 11.10 The Company shall make every effort to advise employees, by posting on the Company bulletin board prior to the noon break, if there are material changes in that day's scheduled working hours.
- 11.11 Employees called back to work on an individual basis shall be called in accordance with the seniority of those laid off and such calls shall be made prior to 9:00 A.M. Should an employee be called back to work after 9:00 A.M. on an individual basis, the employee shall have the right to refuse such work without penalty of any kind whatsoever.
- 11.12 The company shall continue to provide an attendance bonus plan, the details of which are for the company to decide.

## ARTICLE XII Vacations

- 12.01 Employees shall become eligible for their first vacation with pay upon completion of their first anniversary date, provided they have worked a minimum of one hundred eighty (180) days during their first anniversary year, counting as days worked those set forth in Section 12.02 below. Subsequent vacations shall be based on their anniversary date and vacations will be granted according to their years of service. They shall be allowed to take their vacation any time during the twelve (12) month period following their anniversary date.

- 12.02 In order to be eligible for vacation pay, an employee must have worked a minimum of one hundred eighty (180) days during the previous vacation year. The following days will be counted in determining whether or not an employee has worked the minimum one hundred eighty (180) days during the preceding vacation year:
- a) Days actually worked.
- b) Days absent due to occupational injury or illness covered by Workers Compensation up to a maximum of twenty (20) days during a vacation year.
- c) The Chief Steward or designate of the local Union attending union meetings up to a total of twelve (12) days per year may, with previous notice to and the permission of the plant manager, such employee may work a portion of that day on which Union meetings may be held. Other employees may have occasional days of excused absence, without pay, for Union business, up to a limit of ten (10) days per year.
- d) All holidays paid for.
- e) Days spent by the committee in contract negotiations with the company.
- f) Paid vacation days.
- 12.03 Employees who schedule their vacation two (2) weeks in advance will not be required to work any Saturday when the preceding Friday was a vacation day, or a Saturday if the following Monday is a scheduled vacation day.
- 12.04 Length of Vacations: Subject to qualifying in accordance Section 12.01, 12.02, and 12.03 above.
- a) Employees will be entitled to one (1) week vacation with pay following their first anniversary date as set forth in section 12.01 above.
- b) An employee will be entitled to two (2) weeks vacation with pay after completing three (3) years of service.
- c) An employee will be entitled to three (3) weeks vacation with pay after completing ten (10) years of service.

- d) An employee will be entitled to four (4) weeks vacations with pay after completing twenty (20) years of service.
- 12.05 The Company shall make every effort to accommodate the employee with a vacations schedule of his choice. Management may find it necessary to limit or deny vacations during a busy period. A vacation sign up calendar will be put out the first business day in January. From then until March 1, sign up will be for a minimum of one week with high seniority taking preference. After March 1, sign up will be on a first come, first serve basis and vacations of less than one week will be considered. For vacation sign-up after the March 1, one week vacations, Monday through Friday, will be given priority. The final right to set vacation schedules rests solely with Management, in order to ensure an orderly operation of the Company.
- 12.06 If an employee fails to complete his eligibility requirements, no vacation pay is due.
- 12.07 Vacations will be granted only during the twelve (12) month period following their first anniversary date and may not be carried over and taken during any subsequent vacation periods.
- 12.08 Vacations may be taken in units of no fewer than 1/2 days, but vacation hours paid in a pay period in amounts less than 40 hours shall be paid in the regular pay check for the period in which the vacation is taken.
- 12.09 Vacation pay for each week of vacation shall be computed by taking 40 hours times the employee's rate of pay at time of vacation taken, except part-time students and those employees who refuse to make themselves available for full-time work shall be paid vacation pay on their average hours worked.
- 12.10 In case of death, vacation pay shall be paid to the employee's beneficiary if they have met the requirements of any one provision of the Agreement.
- 12.11 Employees who retire upon reaching the social security retirement age within the vacation year shall receive a prorate of the vacation they have earned on the basis of one-twelfth (1/12) the annual vacation for which they are eligible, for each month within the vacation year they have worked. Retiring employees who have worked the minimum number of days required in Section 12.03 shall receive their full vacation allowance.
- 12.12 When returning from vacation, employees shall be assigned to the same job they held when they left for vacation unless the job has been abolished.

- 12.13 The Employer will, when feasible, honor a request for a leave of absence in conjunction with a vacation when reasonably required by an employee whose vacation involves an unusual amount of travel considering the vacations days available. One of the considerations will be whether the employee's position can be covered and whether a leave of absence will interfere with another employee's scheduled vacation.
- 12.14 With the Company's permission, employees may use a vacation day for illness provided the employee calls in before the start of his/her shift. The employee may not do this the day before or after a holiday.
- 12.15 Employee may pickup their paycheck on Fridays at 7:00 A.M., provided the employee has pre-approved vacation and makes the request for the check before 3:00 P.M. on Thursday.

### **ARTICLE XIII HOLIDAY PAY**

- 13.01 Unworked Holiday Pay: Employees who have successfully completed the probationary period (45 days from the most recent date of hire), shall be paid eight (8) hours at their regular rate of pay for the following eight (8) holidays:
- |                |                        |
|----------------|------------------------|
| New Year's Day | Christmas Eve Day      |
| Memorial Day   | Christmas Day          |
| Fourth of July | Thanksgiving Day       |
| Labor Day      | Day after Thanksgiving |
- 13.02 Employee Birthday: Employees who have successfully completed one (1) year's employment from the most recent date of hire shall be paid eight (8) hours at their regular rate of pay. Employee's birthday is to be taken anytime of the month it falls in or paid in lieu of day off. The employer need not grant the holiday off and may pay in lieu if the employee does not give at least 10 working days notice of the requested day off. In addition, the employer has the sole discretion to schedule birthday holidays during each month to ensure orderly operations of the business.
- 13.03 Part-time students and those employees who refuse to make themselves available for full time work shall be paid based on the average hours worked per day during the previous four (4) weeks prior to the holiday week.
- 13.04 If an employee is off because of sickness or accident, he shall receive pay for the holiday, provided it falls within the thirteen (13) week period covered by the sickness and accident insurance plan.



- 13.05 Holiday pay will not be granted to qualified employees who do not work the scheduled work day as ordered preceding the holiday and the first scheduled hours after the holiday, unless they are excused by their supervisor or off sick, which must be proven by a doctor certificate if requested by the company. If a qualified employee misses one hour or less of scheduled work on the day preceding a holiday and/or the first scheduled day after the holiday as a result of being late to work, the employee will be granted holiday pay, but the holiday pay will be reduced by the amount of pay the employee lost as a result of being late. Notwithstanding the foregoing, if an employee cannot get to work because the public roads are impassable because of snow, then the employee shall be excused, for purposes of this section, until the roads become passable, at which time the employee shall call in to see if he/she should come to work.
- 13.06 Pay for Holiday Worked: Time and one-half the regular rate of pay shall be paid for all work performed on one of the above holidays. (This is in addition to the eight (8) hours of unworked holiday pay.)
- 13.07 An employee shall receive no holiday pay as provided in this Article if he fails to report for work or fails to work the hours as ordered on the holiday.
- 13.08 An employee who has worked sometime during the fifteen (15) day period preceding the holiday shall receive holiday pay for the holiday in case of a plant or department shut-down.
- 13.09 Hours worked on a holiday shall be counted in computing weekly overtime.
- 13.10 When one of the above holidays falls on Sunday, it shall be celebrated on Monday if so observed nationally.
- 13.11 The holiday shall be the calendar day.
- 13.12 If one of the above holidays occurs within the employee's vacation period, he shall be paid holiday pay in addition or he shall be allowed to take an extra day of vacation pay.

#### **ARTICLE XIV Lunch and Relief Periods**

- 14.01 A one (1) hour lunch period shall be provided, except in cases where employees and Management mutually agree upon a thirty (30) minute lunch period. The noon lunch period shall start no earlier than 11:30 A.M. and no later than 12:00 noon. It is agreed that in cases of emergency, the

lunch period may be extended fifteen (15) minutes. In these cases, Management will advise the department steward immediately.

- 14.02 All employees shall have one fifteen (15) minute relief period before lunch and one fifteen (15) relief period after lunch providing the half shift is more than two (2) hours in length. The fifteen (15) minutes lunch break shall commence when the line stops and end when the line starts. Such relief periods shall be scheduled as near the middle of each half shift as possible. Employees shall be provided with an additional fifteen (15) minutes relief period after ten (10) hours of work. When employees have completed their work, they shall not be required to remain at the plant and shall receive pay for the relief period.

#### **ARTICLE XV Hospital, Medical, Surgical, and Life Insurance**

- 15.01 Employees will become eligible for group insurance (which includes hospital coverage) on their 90th day of employment or as required by law.
- 15.02 The employer will substitute the "Comprehensive Major Medical" plan for the present plan known as "Base Plus" plan for eligible employees. New and rehired employees will receive insurance contributions from the employer per the following schedule:
- |                               |                |
|-------------------------------|----------------|
| As of September 1, 2000       |                |
| Initial eligibility to 1 year | 60% of premium |
| 1 -2 years                    | 70% of premium |
| 2-3 years                     | 75% of premium |
| 3-4 years                     | 80% of premium |
- The group health insurance plan provisions will include:
- (a) \$750 in-network deductible per family member each year, with a maximum deductible of \$2,250 per year per family.
  - (b) \$2,500, in-network out-of-pocket maximum per family member each year, with a maximum of \$7,500 per year per family.
  - (c) \$2,500 out-of-network deductible per family member each year, with a maximum deductible of \$7,500 per family.
  - (d) Participants in the plan will pay 40% of out-of-network charges with no maximum.

- (e) For employees hired after December 31, 2016: A spouse of an employee is ineligible to be covered by the insurance plan if the spouse is eligible for health insurance coverage through the spouse's own employer
- 15.03 The present accident and sickness insurance coverage for employees upon eligibility will be paid by employer. Benefit at \$220.00 per week.
- 15.04 Except for employees on approved FMLA leaves, employees must work a minimum of 1/2 of the scheduled hours per month for the Company to make the insurance contribution on an employee's behalf as set forth in Section 15.02. While an employee is on an approved FMLA leave, the Company will continue to make the insurance contribution set forth in section 15.02 on an employee's behalf as if the employee were not on leave. An employee on an approved FMLA leave of absence must continue to pay the employee's share of the health insurance premiums in order for coverage to continue during the FMLA leave. If an employee exhausts his or her FMLA leave, the Company will notify the employee of rights the employee may have under COBRA and the Health Insurance Portability and Accountability Act of 1996 to continue the group health insurance coverage at the employee's own expense.
- a) Premiums must be paid one (1) week prior to the 30th of the month to continue coverage for the following month, or policy will be automatically canceled.
- 15.05 In-hospital benefits will commence on the first day under the present plan.
- 15.06 The weekly accident benefits payments will begin the first day and sickness benefit payments will begin after a three (3) day waiting period under the present plan.
- 15.07 All policies are cancelable on the employee's last day of work. An employee's premium contribution for the employee's last month of employment will be reimbursed on a pro rata basis.
- 15.08 If an employee is on a workers' compensation leave, eligible employees will also be placed on an approved FMLA leave and the Company will contribute to the premium for the employee's group health insurance as set forth in Section 15.05. If an employee who is covered under the group health insurance is on a workers' compensation leave that prevents the employee from working a minimum of sixty (60) hours per month and the employee is not eligible for a FMLA leave, the Company will contribute 50% of the total premium for the employee's insurance option in effect at the time of the work-related injury (i.e. single or family), but not to exceed four (4) such monthly premium periods.

- 15.09 The Company will offer a group dental and vision plan in which employees may participate at their own cost and at no cost to the Company.

## **ARTICLE XVI**

### **Health and Safety**

- 16.01 A Joint Safety Committee consisting of an equal number of employee representatives selected by the Bargaining Committee and Management representatives selected by Management, shall be established.
- 16.02 The Joint Safety Committee shall convene once each month, at a time to be determined by the Committee, to review and investigate safety practices and rules and to investigate accidents, all for the purpose of arriving at constructive suggestions or recommendations for improved safety conditions and the prevention of accidents. Time consumed on committee work by employee committee members shall be considered hours worked, to be compensated by the Company at their regular hourly rate.
- 16.03 Employees shall be compensated at their base hourly rate for the time spent in visits to a doctor in the case of injuries received at the plant during working hours, if such visits are made during working hours. If an employee leaves work because of a compensable injury, he shall be paid for the remainder of that portion of the A.M. or P.M. shift. If the compensable injury occurs in the A.M. shift, and is such that they are unable to return to work in the P.M. and upon receipt of the doctor's certificate so stating, the employee shall receive compensation for the full day.
- An employee who is scheduled to work and reports for work and is required to take time off as a result of an industrial injury for treatment by a physician, shall be paid for such time which is necessarily lost from work for that scheduled work day. An employee who reasonably believes that he or she cannot return to work for the rest of the shift after treatment is complete shall call the plant.
- 16.04 Employees required to change jobs during the work day which involves extreme differences in temperature, shall be allowed sufficient time to change clothes, etc. in preparation for such changes in temperature.
- 16.05 It shall be a major violation of the Company rules to start or operate a machine without the available guards in their proper place.

**ARTICLE XVII**  
**Tools and Clothing Furnished**

- 17.01 The Company agrees to continue the present practice of supplying clothing.
- 17.02 No equipment will be re-issued unless the employee has old or worn out equipment to turn in for replacement. All the equipment will remain the property of the Company and shall be returned in case of termination of employment for any reason.
- 17.03 The Company agrees to replace or repair immediately, standard handtools necessary in the performance of the employee's job.
- 17.04 The Company agrees to furnish at its expense, hip boots, coveralls for the sewer men and to pay for four (4) free aprons per year for all employees and the full cost of coveralls in the fall and bib overalls in the spring for hangers, and three (3) pairs of coveralls free for the drivers. Employees will be issued free of charge, hair nets, safety glasses, ear plugs and gloves. Employees will also be issued free of charge eight white t-shirts per year. The Company will reimburse to an employee purchasing boots three (3) pairs of boots per year (\$30.00 maximum per pair of boots). An employee must have a minimum of six months seniority to receive the boot and t-shirt allowance. The Company will provide rubber-steel toed boots or leather boots as needed for maintenance employees, forklift drivers, pallet jack operators, yard attendant, unloading crew foreman and offal room employees; or, alternatively, these employees may purchase and wear their own rubber-steel toed boots or leather boots, and the Company will reimburse two (2) pairs of boots per year (up to \$100.00 per pair of boots).

Frocks will be supplied at the Company's expense for positions that require them. For all other positions, frocks will be available to employees for \$.50 each.

The Company will supply protective clothing for people doing maintenance jobs on weekends, such as welding and painting.

**ARTICLE XVIII**  
**Work by Supervisors**

- 18.01 No employee outside the Bargaining Unit will be used on work of the same nature as that performed by employees in the Bargaining Unit, except as follows:

- a) For the purpose of taking an employee's place temporarily, in such cases as where an employee fails to show up for work or has to be relieved due to injury, sickness or emergency.
- b) For the purpose of breaking in new employees on a new job and instructing employees.
- c) For the purpose of emergency; under this Article, emergency means beyond the control of the employees or the employer, which means the saving of life, liable, or property.

**ARTICLE XIX**  
**Unpaid Leaves of Absence and Sick Leave**

- 19.01 The Employer may grant an employee a leave of absence, without pay, for good and sufficient cause. All such leaves beyond one week, if granted, shall be in writing and copies shall be mailed to the designated Union representative. Employees shall be required to report back to work on the date specified. Employees who fail to report may be subject to discharge unless they have a justifiable reason that prevents return. When returning from a leave of absence, employees shall be assigned to the same job they held when they left for a leave of absence unless the job has been abolished or a more senior employee has displaced the returning employee under the provisions of this Agreement.
- 19.02 An employee who is no longer eligible for pay under the Insurance plan and presents satisfactory proof of such illness to the employer shall be granted a sick leave automatically for a period not to exceed thirty (30) days. Such sick leave shall be extended for successive and intermittent thirty (30) day periods up to one (1) year from the first day of the initial sick leave granted upon presentation of proper medical documentation if the employee's health or physical condition is such as to prevent the employee from gainful employment. After the one-year period, the employer may grant the employee additional sick leave but is not required to do so.
- a) In case of compensable injury or illness, a leave of absence will be granted automatically for the full period of regular temporary disability. Such an automatic leave of absence will be terminated automatically when the employee is capable of returning to work.
- 19.03 A regular payroll employee who is a member of the Union and who is designated by the Union to attend a labor convention or serve in any other capacity on other official Union business shall, on request, be given a temporary leave of absence, in writing, for a period not to exceed time required by official Union business.

19.04 An employee on leave of absence who accepts other employment shall lose all employment rights at the Company. This does not apply when an employee is on a leave conducting Union business.

19.05 When it is necessary for employees to be excused from work for a part of the day to fulfill an appointment in a doctors or dentist's office which cannot be made during non-working hours for treatment of non-occupational accidents or illness, they shall be given an excused absence, provided the employee gives his supervisor one (1) week's advance notice of such appointment except in situations where such notice is not possible. However, notwithstanding, if an employee must see a doctor during his or her scheduled work hours and is unable to give the week's advance notice, then the employee will be excused and will not be given a pink slip, providing the employee has followed Company policies and procedures, such as calling in.

19.06 Day shift employees who are absent from work must call in by 3:00 PM the day prior to reporting back to work. Night shift employees who are absent from work must call in by 10:00 AM if they plan to come to work that night.

- a) If the above procedures are not followed, the Company reserves the right to refuse the employee work.
- b) This procedure is necessary for Management to properly schedule the lines so production schedules can be met.

#### **ARTICLE XX Funeral Leave**

20.01 The Company shall pay three (3) days to full-time employees who have successfully completed the probationary period (45 days) who are absent from work to make funeral arrangements and/or attend the funeral because of a death of husband, wife, child, stepchildren, mother, father, step-parents, sister, brother, mother-in-law, father-in-law, grandparents, grandchildren. Such pay shall be only for three (3) scheduled work days that the employee would have worked but for his absence.

#### **ARTICLE XXI Jury Duty**

21.01 An employee who has successfully completed the probationary period (45 days) and is called to jury duty in the County, State or Federal Court, shall be excused for jury duty on presenting the Summons requiring such duty to the plant manager.

21.02 The employee will be paid the difference between his regular earnings on the basis of an eight (8) hour day or forty (40) hours per week and the amount he receives for such jury service, providing the line works on these days. This does not apply to employees on vacation or sick leave.

21.03 No difference in payment for jury service shall be paid to employees who fail to report to work and work the hours of any scheduled work day on which they are not required to report to court.

#### **ARTICLE XXII Bulletin Boards**

22.01 The Company will provide an enclosed window-covered bulletin board in the hanger lunchroom and the eviscerating lunchroom for the Union's exclusive use, but only for posting of formal notices of meetings, elections, names of representatives and officers of the Union and general matters concerning the business of the Union representative. A representative of Management is to be made responsible for the proper posting of notices within the meaning of this Article and the Management representative will keep the key(s) to the bulletin boards. The bulletin boards shall be placed where employees normally congregate or travel, and shall not be hidden.

#### **ARTICLE XXIII Wages**

23.01 For the first two years of their employment, the Company will pay employees hired into the General Labor classification the minimum wage required by law or a wage rate the Company believes the labor market requires, whichever is higher, but not more than the general labor rate. In addition, employees with one year seniority will be paid no less than \$1.00 lower than the general labor rate. Employees with seniority of two years or more will be paid the general labor rate.

The general labor rate for employees with seniority of two years or more will be as follows:

<u>11/18/16</u>	<u>11/18/17</u>	<u>11/18/18</u>	<u>5/18/19</u>	<u>11/18/19</u>	<u>5/18/20</u>
\$13.05	13.25	13.40	13.55	13.75	13.95

23.02 Drivers

- a) To be on hourly rate, keyed to general labor rate, with overtime for hours over twelve (12) daily or forty (40) weekly.

- b) When, in the Company's discretion, doubles are sent out, the doubles team shall be, to the extent the Company determines if feasible, dispatched by rotation from a list of volunteer teams. When doubles are run, the rate will be the regular hourly rate less \$.82.
- c) Doubles are runs in which two (2) drivers would be required.
- d) Deadheading: In all cases where an employee is instructed to ride or drive on Company or leased equipment, he shall receive full pay as specified in this Agreement; when instructed to deadhead on other than company or leased equipment, the employee shall likewise receive the full rate of pay as specified in this Agreement, plus the cost of transportation.
- e) Bobtailing: Driving of tractor without trailer shall be paid on the same basis as tractor-trailer drivers.
- f) Passengers: No driver shall be permitted to allow anyone other than employees of the Company who are on duty, to ride in his truck, except by written authorization by the Company.
- g) Defective Equipment: The Company shall maintain its equipment so that it is safe for normal operations.

23.03

Notwithstanding the above language, employees who qualify under Section 23.06 shall receive the classified premium in addition to their regular rate.

If an employee has been employed for required period by the end of the work shift on Wednesday, this increase shall become effective at the beginning of the current week. If later than Wednesday, it shall become effective the beginning of the following week.

23.04

**Premium Rates:**  
The regularly hourly rate shall be paid to employee in addition to premiums listed if employee has attained the corresponding classified position.

#### JOB CLASSIFICATION

#### RATE

Knife Sharpener	.30
Pre-Picking Lead	.70
Unloading Crew	.55
Inedible By-products (lead person)	.20
Picking Room Attendant	.31

#### Maintenance Dept.

Boiler operators with a First Class B Minnesota license or higher will not be paid less than \$5.60 per hour more than the general labor rate.

General Repair Maintenance employees will not be paid less than the following:

2nd year \$2.70 more than the general labor rate  
3rd year \$3.20 more than the general labor rate

Drivers	.13
Forklift Operator (Freezer/Loading Dock)	.26
Pallot Jack Operator	.15
Working Foreman	.40
(Over the highest rate supervised by them.)	
Leadperson	.15
(Over the highest rate supervised by them)	
Trailer Mechanic/Yard Attendant	1.00

23.05

**Equal Pay for Equal Work:** Qualified employees that are assigned by the Company to classified jobs shall be paid the classified rate for all hours worked on the classified job. (Qualification under this section means the job in its entirety.)

23.06

A classified employee will work on whatever job he/she is assigned. A classified employee temporarily transferred or assigned to a lower-rated job shall be paid the rate of the classified job he/she regularly works. A classified employee temporarily transferred or assigned to a higher-rated job shall be paid the rate of the higher-rated job.

23.07

An employee must be fully qualified to perform the work prior to moving into a classified job.

23.08

When an employee has become qualified for a higher rated classification, he will not receive the rate for that job classification until there is an opening.

23.09

When transfers have been made from one job to another, the employee shall consult with the Superintendent or Steward within the day of transfer, if there is any question regarding the rate to be paid on the new job.

## ARTICLE XXIV

- 24.01 The Company will set up a 401(k) plan. Employee participation will be voluntary.

## ARTICLE XXV

- 25.01 All provisions of the Agreement shall take effect November 18, 2016 unless otherwise indicated and shall remain in effect until November 17, 2020 and from year to year thereafter, provided, however, that this Agreement may be terminated on November 17, 2020 or on November 17th of any year thereafter, by either party, on written notice mailed to the other party, at least sixty (60) days prior to November 17th of any year thereafter.

**UNITED FOOD AND  
COMMERCIAL WORKERS**

**BUTTERFIELD FOODS COMPANY**

Wick Forster  
James P. Curran

*[Handwritten signature]*

*[Signature]*

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